

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,)	
to implement the provisions of Sections 6a(6) and)	Case No. U-15895
10p(11) of 2008 PA 286.)	
_____)	

In the matter, on the Commission's own motion,)	
to revise the standard rate application filing forms)	Case No. U-18238
and instructions previously adopted in)	
Case No. U-15895.)	
_____)	

At the January 20, 2017 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner
Hon. Rachael A. Eubanks, Commissioner

ORDER AND NOTICE OF OPPORTUNITY TO COMMENT

When it first established standard rate application filing forms and instructions by issuance of an order dated February 24, 1975 in Case No. U-4771, the Commission explained the three-fold purpose of the filing requirements as follows:

First, the requirements will make the processing of rate cases more orderly. Because all parties to the case will share a common starting point, the Commission will be able to better understand the financial situation of the applicant utility. Further, each rate case will be presented with a substantial measure of uniformity and, therefore, comparisons among cases will be facilitated.

Second, the filing requirements will assist in shortening the time required to complete a rate case. With a standard format for rate case filings and standard methods of calculating and presenting particular adjustments, the participants in

the process should be able to spend less time in locating and understanding pertinent issues in the case.

Third, increased and consistent information will be available to the Commission about the relationship of the proposals made in the rate case to the interest of the public in adequate and reliable electric power.

After passage of 2008 PA 286 (Act 286), which added Section 6a(6) to 1939 PA 3, MCL 460.6a(6), the Commission issued an order dated October 21, 2008 in Case No. U-15895 to commence the process of revising its standard rate case filing forms and instructions to accommodate the legislative establishment of a mandatory 12-month deadline for the processing of electric and natural gas utility general rate cases.¹ This effort culminated in the adoption of the Commission's current standard rate application filing forms and instructions in the December 23, 2008, and the February 20, 2009, orders in Case No. U-15895.

On December 21, 2016, Governor Rick Snyder signed into law² 2016 PA 341 (Act 341), which, among many things, re-numbers and slightly revises MCL 460.6a(6).³ On April 21, 2017, MCL 460.6a(6) will become MCL 460.6a(8) and will read:

The commission shall adopt standard rate application filing forms and instructions for use in all general rate cases filed by utilities whose rates are regulated by the commission. For cooperative electric utilities whose rates are regulated by the commission, in addition to rate applications filed under this section, the commission shall continue to allow for rate filings based on the

¹See, MCL 460.6a(3).

² By its provisions, Act 341 does not take effect until 120 days following its enactment.

³ The current version of MCL 460.6a(6) provides: "Within 90 days of the effective date of the amendatory act that added this subsection, the commission shall adopt standard rate application filing forms and instructions for use in all general rate cases filed by utilities whose rates are regulated by the commission. For cooperative electric utilities whose rates are regulated by the commission, in addition to rate applications filed under this section, the commission shall continue to allow for rate filings based on the cooperative's times interest earned ratio. The commission may, in its discretion, modify the standard rate application forms and instructions adopted under this subsection."

cooperative's times interest earned ratio. The commission may modify the standard rate application forms and instructions adopted under this subsection.

Given that Act 341 reduces the amount of time available to the Commission and the Commission Staff (Staff) to process most electric, natural gas, and steam general rate cases from 12 months to 10 months⁴, and given that the 10-month processing limitation will begin to apply to rate case applications filed by electric utilities, larger natural gas utilities, and steam utilities filed on and after April 21, 2017, the Commission is opening the docket in Case No. U-18238 to consider modifications to its existing standard rate application filing forms and instructions so as to ensure the Commission can continue to thoroughly scrutinize rate case applications in a timely manner in the future.

Toward this end, the Commission directs the Staff to file proposals to update the existing standard rate application filing forms and instructions, which are appended to this order as Attachments 1, 2, and 3, in the docket of Case No. U-18238 by March 31, 2017. The Staff's proposals shall simultaneously be electronically served on all electric, natural gas, and steam utilities subject to the Commission's rate regulation by the Commission's Executive Secretary, and shall also be electronically transmitted to every person normally sent an electronic notification of the Commission's orders in electric, natural gas, and steam cases.

In addition, any person may submit written comments or concerns regarding the proposed forms. A person submitting a comment or concern should explain the basis for the concern and also provide an alternative that would accomplish the same end result for the Commission and the Staff to consider. The comments or concerns should reference Case No. U-18238, and must be

⁴ Section 6a(1) of Act 341 allows natural gas utilities serving fewer than 1 million customers in Michigan to seek partial and immediate rate relief, in which case the Commission will have 12 months to process the rate case application.

received no later than 5:00 p.m. on April 28, 2017. Address mailed comments to: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, MI 48909. Electronic comments may be e-mailed to mpscedockets@michigan.gov. If you require assistance prior to filing, contact Commission Staff at (517) 284-8090 or by e-mail at mpscedockets@michigan.gov. All information submitted to the Commission in this matter will become public information available on the Commission's website and subject to disclosure; and all comments will be filed in Case No. U-18238.

THEREFORE IT IS ORDERED that:

A. The Commission Staff shall file proposed revisions to the Commission's standard rate application filing forms and instructions, which are appended to this order as Attachments 1, 2, and 3, in the docket for Case No. U-18238 by March 31, 2017.

B. The Commission's Executive Secretary shall simultaneously electronically serve the Commission Staff's proposed revisions to the standard rate application filing forms and instructions on all electric, natural gas, and steam utilities subject to the Commission's rate regulation, and shall also electronically transmit the Commission Staff's proposals to every person normally sent an electronic notification of the Commission's orders in electric, natural gas, and steam cases.

C. Interested persons shall have until April 28, 2017 to submit comments, concerns, and alternative recommendations regarding the Commission Staff's proposed revisions to the Commission's standard rate application filing forms and instructions.

D. The docket in Case No. U-15895 is closed with regard to the provisions of Section 6a(6) of 2008 PA 286; MCL 460.6a(6).

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Norman J. Saari, Commissioner

Rachael A. Eubanks, Commissioner

By its action of January 20, 2017

Kavita Kale, Executive Secretary

ATTACHMENT 1

**PART I FILING INSTRUCTIONS ACCOMPANYING STANDARD EXHIBITS
AND SCHEDULES FOR RATE CASE FILINGS**

General Instructions

Pursuant to MCL 460.6a, utility applicants may use projected costs and revenues for a future consecutive 12-month period in developing its requested rates and charges. If a utility elects to do so, it must identify the future consecutive 12-month period used to develop the projected costs and revenues, and reflect in its filing the costs and revenues expected to be experienced during that period. Where these instructions specify that a particular set of information or ratemaking approach should be used, the utility shall provide that information and use that approach, but may propose that alternative information and ratemaking approaches be used to establish rates for the projected period. Such alternative information and approaches must be explained and justified.

Where the utility prepares its filing in a manner that differs from a policy or practice adopted by the Commission in the preceding general rate case for the utility, it shall identify such difference, and shall quantify, to the extent practicable, the impact on the utility's revenue requirement calculation of that difference.

The standard exhibits shall be provided electronically in Microsoft Excel format with the exception of Schedule F-5 Proposed Tariff Sheets which shall be supplied in Microsoft Word format. Information included on the schedules shall be sourced to workpapers and other supporting documents that are included in the case filing.

The standard exhibit titles listed below must specify the projected future 12-month period upon which the filing is based.

The exhibits shall include the formulas that explain the relationships among the exhibit rows and columns.

At the time of filing, the utility shall provide notice of the filing to all parties to the preceding general rate case of the applicant, and shall promptly provide a copy of the filing upon request.

Part I

Schedule A-1

A-1 Projected Revenue Deficiency (Sufficiency)

The projected revenue deficiency (sufficiency) is determined based on information supplied in Schedules B, C, D and E. Utilities providing service in more than one jurisdiction shall identify the MPSC jurisdictional amounts on schedules A, B and C based on the jurisdictional separation determined in Schedule F-1.

Schedules B-1, B-2, B-3 and B-4

B-1 Projected Rate Base

B-2 Projected Utility Plant

B-3 Projected Accumulated Provision for Depreciation

B-4 Projected Working Capital

The amounts included for plant in service, plant held for future use, construction work in progress, and accumulated depreciation reserve must reflect all retirements, all capital expenditures, and book depreciation expense expected to occur by the end of the projected future 12 month period. The allowance for working capital must be developed utilizing the Balance Sheet method, and must reflect assets and liabilities projected for the future period.

Schedules C-1 through C-11

C-1 Projected Net Operating Income

C-2 Revenue Conversion Factor

C-3 Projected Sales Revenue

C-4 Projected Fuel and Purchased Power (or Cost of Gas Sold)

C-5 Projected Operating and Maintenance Expenses

C-6 Projected Depreciation and Amortization Expenses

C-7 Projected General Taxes

C-8 Projected Federal Income Taxes

C-9 Projected State Income Taxes

C-10 Projected Other (or Local) Taxes

C-11 Projected Allowance for Funds Used During Construction

Operating revenues and expenses must reflect the revenues and expenses that the utility expects to experience during the projected future 12-month period.

Significant changes in individual operating revenue or expense items for the projected future period from those included in the historical information provided in Part III must be identified by the utility, and supporting data and justification must be supplied with respect to each such item.

The depreciation and amortization expense included in these schedules must reflect the depreciation rates approved at the time the utility makes its filing, and those rates must be applied to the plant included in its filing.

The tax rates used in preparing these schedules must reflect the tax rates that the utility anticipates will be in effect during the projected future 12-month period. If the utility uses tax rates different from those specified in the tax laws in effect at the time of the filing, the utility shall provide an explanation of and justification for all such differences.

Schedules D-1, D-2, D-3, D-4 and D-5

- D-1 Projected Rate of Return Summary
- D-2 Cost of Long-Term Debt
- D-3 Cost of Short-Term Debt
- D-4 Cost of Preferred Stock
- D-5 Cost of Common Shareholders' Equity

The utility must reflect all issuances of securities, equity infusions, retirements, redemptions, conversions, etc, that the utility expects to occur by the end of the projected future period.

Schedule E-1

E-1 Sales, Load and Customer Data

Sales levels for the projected future 12-month period must reflect reasonably anticipated market and economic conditions the utility expects to influence sales during that period. Such sales levels must also reflect the impact of reasonably anticipated energy conservation and efficiency programs for the projected future period. The projected sales levels must be weather-normalized utilizing the weather-normalization method adopted by the Commission in the most recent general rate case for the utility; however, the utility may, in addition, propose the use of any other weather-normalization method for which the utility presents information supporting the conclusion that such alternative method is more likely to predict actual sales during the future period.

Schedules F-1, F-2, F-3, F-4, and F-5

- F-1 Projected Cost of Service Allocation Study
- F-2 Summary of Present and Proposed Revenues
- F-3 Detail of Present and Proposed Revenues
- F-4 Comparison of Present and Proposed Monthly Bills
- F-5 Proposed Tariff Sheets

For utilities with more than 1,000,000 retail customers in Michigan, the electric cost of service allocation study must be prepared in conformance with MCL 460.11. The study must reflect the allocation of (i) production-related and transmission costs using the 50-25-25 method of allocation, (ii) energy-related costs based on energy consumption, (iii) customer-related costs based on the number of customers, (iv) demand-related costs (other than production-related and transmission) based on the relative demands of customer classes. The 50-25-25 method allocates costs 50% based on class demand, 25% based on class on-peak energy consumption, and 25% based on total class energy consumption.

Summary of present and proposed revenue summarizes the effect on revenues of proposed rate changes including the percentage of increase/decrease by rate class. Detail of present and proposed rates will reflect revenues by rate class based on present and proposed rates. Each rate class will require a separate page.

Comparison of present and proposed monthly bills will reflect revenues by rate class based on present and proposed rates at various usage increments. Each rate class will require a separate page.

Part II

Each general rate case filing shall include:

Annual Reports to the MPSC P-521 (electric) P-522 (gas) for the most recent 2 years

Annual Report to the SEC Form 10-K

Quarterly Report to Shareholders (most recent 4 quarters)

Bond and other financial prospectuses for issuances during the past 2 years

Part III

Historical Support Data for Staff (see attachment)

Other Instructions

A filing shall include:

- An application describing the relief that is being sought by the applicant
- A draft notice of hearing in current prescribed MPSC format
- Testimony in support of the utilities filed request
- Information as defined in these Filing Instructions, Part I, Part II and Part III,
including workpapers in support of Part I as described in these filing instructions

Schedule Guidelines

The Administrative Law Judge shall adopt a schedule that initially requires Intervenor and Staff to file their direct cases in sufficient time to allow the Commission to issue a final order within 12 months from the date of the filing of the rate case.

In addition, the administrative law judges are directed to take appropriate actions to ensure that evidentiary hearings proceed in an organized and effective fashion. In addition to other actions the administrative law judge believes will achieve that goal, the administrative law judge shall require the parties to identify prior to commencement of cross-examination the issues that the party intends to pursue during cross-examination. The Commission concludes that doing so in advance of cross-examination will allow a more meaningful and useful evidentiary record to be created.

The Administrative Law Judge shall adopt discovery practices that will promote the expeditious processing of a filing.

Company Name
Exhibit and Schedules for
New Rate Case
Filing Requirements

Attachment 2

<u>Exhibit</u>	<u>Schedule</u>	<u>Title</u>
Part I		
A-1	A1	Projected Revenue Deficiency (Sufficiency)
A-2	B1	Projected Rate Base
A-2	B2	Projected Utility Plant
A-2	B3	Projected Accumulated Provision for Depreciation
A-2	B4	Projected Working Capital
A-3	C1	Projected Net Operating Income
A-3	C2	Revenue Conversion Factor
A-3	C3	Projected Sales Revenue
A-3	C4	Projected Fuel and Purchased Power/Cost of Gas Sold
A-3	C5	Projected Operation and Maintenance Expenses
A-3	C6	Projected Depreciation and Amortization Expenses
A-3	C7	Projected General Taxes
A-3	C8	Projected Federal Income Taxes
A-3	C9	Projected State Income Taxes
A-3	C10	Projected Other (or Local) Taxes
A-3	C11	Projected Allowance for Funds Used During Construction
A-4	D1	Projected Rate of Return Summary
A-4	D2	Cost of Long-Term Debt
A-4	D3	Cost of Short-Term Debt
A-4	D4	Cost of Preferred Stock
A-4	D5	Cost of Common Shareholders' Equity
A-5	E1 - E?	Sales, Load and Customer Data
A-6	F1	Projected Cost of Service Allocation Study
A-6	F2	Summary of Present and Proposed Revenues
A-6	F3	Detail of Present and Proposed Revenues
A-6	F4	Comparison of Present and Proposed Monthly Bills
A-6	F5	Proposed Tariff Sheets
Part II		Supporting Data (MPSC Annual Report, 10-K, Parent Annual Report etc)
Part III		Staff Supplemental Data

Schedule A1

Michigan Public Service Commission
 Company Name
 Projected Revenue Deficiency (Sufficiency)
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXXX
 Exhibit No.: A-1
 Schedule: A1
 Page: 1 of 1
 Witness:

Line No.	(a) Description	(b) Source	(c) Total (\$000)
1			
2	Rate Base	Exh. A-2, Sch. B1	
3			
4	Adjusted Net Operating Income	Exh. A-3, Sch. C1	
5			
6	Overall Rate of Return	Line 4 ÷ Line 2	
7			
8	Rate of Return	Exh. A-4, Sch. D1	
9			
10	Income Requirements	Line 2 x Line 8	
11			
12	Income Deficiency (Sufficiency)	Line 10 - Line 4	
13			
14	Revenue Conversion Factor	Exh. A-3, Sch. C2	
15			
16	Revenue Deficiency (Sufficiency)	Line 12 x Line 14	

Schedule B1

Michigan Public Service Commission
 Company Name
 Projected Rate Base
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
 Exhibit No.: A-2
 Schedule: B1
 Page: 1 of 1
 Witness:

Line No.	(a) Description	(b) Source	(c) Rate Base (\$000)
1			
2	Plant in Service	Exh A-2, Sch B2	
3	Plant Held for Future Use	Exh A-2, Sch B2	
4	Construction Work in Progress	Exh A-2, Sch B2	
5	Total Utility Plant		\$ -
6			
7	Less: Depreciation Reserve	Exh A-2, Sch B3	
8			
9	Net Utility Plant		\$ -
10			
11	Net Capital Lease Property		
12			
13	Total Utility Property and Plant		\$ -
14			
15	Less: Capital Lease Obligations		
16			
17	Net Plant		\$ -
18			
19	Allowance for Working Capital	Exh A-2, Sch B4	
20			
21	Total Projected Test Period Rate Base		\$ -

Schedule B2

Michigan Public Service Commission
 Company Name
 Projected Utility Plant
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXXX
 Exhibit No.: A-2
 Schedule: B2
 Page: 1 of 1
 Witness:

Line No.	(a) Description	(b) MPSC Account No.	(c) Projected Utility Plant (\$000)
1			
2	Plant in service	101	
3	Plant purchased or sold	102	
4	Experimental plant unclassified	103	
5	Plant leased to others	104	
6	Completed construction not classified	106	
7	Plant In Service		\$ -
8			
9	Plant held for future use	105	
10			
11	Construction work in progress	107	
12			
13	Total Projected Test Period Utility Plant		\$ -

Schedule B3

Michigan Public Service Commission
Company Name
Projected Accumulated Provision for Depreciation
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-2
Schedule: B3
Page: 1 of 1
Witness:

(a)		(b)
		Projected Accum. Prov. for Depr. (\$000)
Line No.	Description	

Total Projected Test Period Accumulated Provision for Depreciation \$ -

Schedule B4

Michigan Public Service Commission
Company Name
Projected Working Capital
Projected 12 Month Period Ending xxxx
Amounts in (\$000)

Case No.: U-XXXXX
Exhibit No.: A-2
Schedule: B4
Page: 1 of 1
Witness:

(a)		(b)
Line No.	Description	Projected Working Capital (\$000)
1		
2	<u>Assets</u>	
Total Assets		\$ -
<u>Liabilities</u>		
Total Liabilities		\$ -
Total Projected Test Period Working Capital		\$ -

Schedule C1

Michigan Public Service Commission
 Company Name
 Projected Net Operating Income
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
 Exhibit No.: A-3
 Schedule: C1
 Page: 1 of 1
 Witness:

(a)		(b)	
Line No.	Description	Source	Net Operating Income (\$000)
1			
2	Operating Revenues		
3			
4	<u>Operating Expenses</u>		
5	Fuel and Purchased Power (Electric Only)		
6	Operations and Maintenance Expenses		
7	Depreciation and Amortization		
8	General Taxes		
9	Income Taxes		
10	Total Operating Expenses		
11			
12	Operating Income		
13			
14	<u>Operating Income Adjustments</u>		
15	Allowance For Funds Used During Construction		
16	Loss on Reacquired Securities		
17	Income Tax Effect of Interest		
18	Interest Synchronization Adjustment		
19	Total Operating Income Adjustments		
20			
21	Adjusted Net Operating Income		

Schedule C2

Michigan Public Service Commission
Company Name
Revenue Conversion Factor

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C2
Page: 1 of 1
Witness:

Line No.	(a) Description	(b) Calc. Logic	(c) 2009
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Schedule C3

Michigan Public Service Commission
Company Name
Projected Sales Revenue
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C3
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected Sales Revenue
Line No.	Description	Source	(\$000)

Schedule C4

Michigan Public Service Commission
Company Name
Projected Fuel and Purchased Power/Cost of Gas Sold
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C4
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected Fuel and Purchased Power
Line No.	Description	Source	(\$000)

Schedule C5

Michigan Public Service Commission
Company Name
Projected Operation and Maintenance Expenses
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C5
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected Operation and Maint. Expenses
Line No.	Description	Source	(\$000)

Schedule C6

Michigan Public Service Commission
Company Name
Projected Depreciation and Amortization Expense
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C6
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected Depreciation & Amort. Expense
Line No.	Description	Source	(\$000)

Schedule C7

Michigan Public Service Commission
Company Name
Projected General Taxes
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C7
Page: 1 of 1
Witness:

Line No.	(a) Description	(b) Source	(c) Projected General Taxes (\$000)
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Schedule C8

Michigan Public Service Commission
Company Name
Projected Federal Income Taxes
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C8
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected Federal Income Taxes (\$000)
Line No.	Description	Source	

Schedule C9

Michigan Public Service Commission
Company Name
Projected State Income Taxes
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C9
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected State Income Taxes (\$000)
Line No.	Description	Source	

Schedule C10

Michigan Public Service Commission
Company Name
Projected Other (or Local) Taxes
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C10
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected Other (or Local) Taxes (\$000)
Line No.	Description	Source	

Schedule C11

Michigan Public Service Commission
Company Name
Projected Allowance for Funds Used During Construction
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-3
Schedule No.: C11
Page: 1 of 1
Witness:

	(a)	(b)	(c)
			Projected
Line	Description	Source	AFUDC
No.			(\$000)

Schedule D1

Michigan Public Service Commission
Company Name
Projected Rate of Return Summary

Case No.: U-XXXXX
Exhibit No.: A-4
Schedule: D1
Page: 1 of 1
Witness:

Line No.	(a) Description	(b) Capital Structure		(d) Percent of Total Capital	(e) Cost Rate %	(f) Permanent Capital (2)	(g) Weighted Cost		(h) Conversion Factor	(i) Pre-Tax Return
		Amount (\$000) (1)	Percent Permanent Capital (2)				Total Cost %	Cost %		
1										
2	Long-Term Debt									(3)
3										
4	Preferred Stock									(4)
5										
6	Common Shareholders' Equity									(5)
7										
8	Total Permanent Capital									
9										
10	Short-Term Debt									(6)
11										
12	Job Development - ITC - Debt									
13	Job Development - ITC Equity									
14	Total Job Development - ITC									
15										
16	Deferred Income Taxes (Net) - MBT									
17										
18	Deferred Income Taxes (Net) - Federal									
19										
20	Total									

- (1) See Exh. A-2, Sch. B2
(2) Excludes Short-Term Debt, Deferred Job Development Investment Tax Credit, Deferred Investment Tax Credit and Deferred Income Taxes to calculate the rate of return for Job Development Investment Tax Credit purposes in accordance with Internal Revenue Service Income Tax Regulation Section 1.46-6
(3) See Exh. A-4, Sch. D2
(4) See Exh. A-4, Sch. D4
(5) See Exh. A-4, Sch. D5
(6) See Exh. A-4, Sch. D3

Michigan Public Service Commission
Company Name
Cost of Long-Term Debt
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A4
Schedule: D2
Page: 1 of 1
Witness:

[illegible]

Schedule D3

Michigan Public Service Commission
 Company Name
 Cost of Short-Term Debt
 Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
 Exhibit No.: A-4
 Schedule: D3
 Page: 1 of 1
 Witness:

Line No.	(a) Month	(b)	(c)
		Projected Balance Outstanding (\$000)	Total Cost (\$000)
1			
2	Commercial Paper	\$ -	\$ -
3			
4	Inter-Company Loans	-	-
5			
6	Letter of Credit	-	-
7			
8	Other	-	-
9			
10	Total	<u>\$ -</u>	<u>\$ -</u>
11			
12	Average Cost of Short-Term Debt		<u>#DIV/0!</u>

Michigan Public Service Commission
Company Name
Cost of Preferred Stock
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-4
Schedule: D4
Page: 1 of 1
Witness:

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Line No.	Description	Annual Dividend Required (\$000)	Par Value	Discount or Premium (\$000)	Finance Expenses (\$000)	Net Proceeds Received (\$000)	Number of Shares Outstanding (000)	Total Value of Outstanding Proceeds (\$000)	Cost Rate (%)	Annual Dollar Amount (\$000)

Schedule D5

Michigan Public Service Commission
Company Name
Cost of Common Shareholders' Equity
Projected 12 Month Period Ending xxxx

Case No.: U-XXXXX
Exhibit No.: A-4
Schedule: D5
Page: 1 of 1
Witness:

Schedule E1

Michigan Public Service Commission
 Company Name
 Annual Service Area Sales by Major Customer Classes and System Output
 5-Year Projected

Case No.: U-XXXXX
 Exhibit No.: A-5
 Schedule: E1
 Page: 1 of 1
 Witness:

Line No.	(a) Year	(b) <u>Residential</u>	(c) <u>Commercial</u>	(d) <u>Industrial</u>	(e) <u>Other</u>	(f) <u>Total</u>	(g) <u>Losses and Company Use</u> Millions <u>Unit of Measure</u>	(h) <u>% of</u> <u>Output</u>	(i) <u>System</u> <u>Output</u> <u>Unit of Measure</u>
1									
2	Year 1								
3	Year 2								
4	Year 3								
5	Year 4								
6	Year 5								

Schedule F1

Michigan Public Service Commission
 Company Name
 Projected Cost of Service Allocation Study
 Projected 12 Month Period Ending xxxx
 (\$000)

Case No.: U-XXXXXX
 Exhibit No.: A-6
 Schedule: F1
 Page: 1 of 1
 Witness:

Line No.	Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
			Alloc	Total	Alloc	Total	Commercial	Total	Total	Total
					Juris	Residential	Secondary	Primary	Government	Wholesale

Schedule F2

Michigan Public Service Commission

Company Name

Summary of Present and Proposed Revenue by Rate Schedule

Case No.: U-XXXXX

Exhibit No.: A-6

Schedule: F2

Page: 1 of 1

Witness:

	(a)	(b)	(c)	(d)	(e)
		Total Present Revenue	Total Proposed Revenue	Total Net Increase/ (Decrease)	Total Net Increase/ (Decrease)
Line No.	Description	(\$000)	(\$000)	(\$000)	(%)

Schedule F3

Michigan Public Service Commission
 Company Name
 Present and Proposed Revenue Detail
 (\$000)

Case No.: U-XXXXX
 Exhibit No.: A-6
 Schedule: F3
 Page: 1 of 1
 Witness:

Line No.	(a) Description	(b) Billing Determinants		(c)	(d)	(e)	(f)
		Quantity	Units	Rate	Present Revenue	Proposed Rate	Proposed Revenue

Schedule F4

Michigan Public Service Commission
Company Name
Comparison of Present and Proposed Monthly Bills
Residential Service Rate

Case No.: U-XXXXX
Exhibit No.: A-6
Schedule: F4
Page: 1 of 1
Witness:

Line No.	(a) Monthly kWh Use	(b) Present Net Monthly Bill	(c) Proposed Net Monthly Bill	(d) (e) Increase Amount Percent		(f) Proposed Unit Cost

ATTACHMENT 3

**MICHIGAN PUBLIC SERVICE COMMISSION
PART III – STANDARD FILING REQUIREMENTS
HISTORICAL DATA SUPPORT FOR STAFF AUDIT**

The following data is to be provided to Commission Staff at the time of filing of a general rate application and is to be treated as the initial data request meant to facilitate the Commission Staff's audit of historical data covering the 12-month period ending _____. At the time of filing, the utility shall provide notice to all parties to the preceding general rate case of the utility of the availability of this information, and shall provide this data promptly upon request. This information should be used in conjunction with the annual reports filed by the utility with the MPSC (i.e., P-521 and P-522 reports, etc.). The Utilities' filed projected rate case amounts are fully supported within PART 1 of the MPSC's STANDARD RATE CASE FILING REQUIREMENTS.

Accounting Data and Records

- Historical period balance sheet and income statement with supporting monthly detailed general ledgers.
- Listing of all internal audit reports completed during and since the historical period.
- Listing of ongoing internal audits
- Most recent calendar year External Auditor Audit Report and Audit Report of Differences.
- Current corporate structure and organizational chart for utility

Sales Data

- Previous five calendar year actual sales data, both by volumes and customers, by customer class/rate schedule.
- Historical period actual sales data, both by volumes and customers by rate schedule.
- Previous five calendar year weather normalized sales by customer class/rate schedule.
- Historical period weather normalized sales by customer class/rate schedule
- An explanation of any significant customer usage changes in the historical period
- Historical period company use and losses (including unaccounted for gas).

**MICHIGAN PUBLIC SERVICE COMMISSION
PART III – STANDARD FILING REQUIREMENTS
HISTORICAL DATA SUPPORT FOR STAFF AUDIT**

- Historical period on-peak/off-peak sales data
- Historical period actual heating degree day and cooling degree day information

Other Operating Revenues

- Summary schedule that shows actual Other Operating Revenues by account, for the historical period.

Operation and Maintenance Expenses

- Actual O&M expenses by account for the historical period as detailed in same format as the utility supplies in its annual P-521 / P-522 reports.
- Uncollectible accounts expense for the previous 5 calendar years and historical period, include gross write-offs and collections of amounts previously written off amounts.
- Description of methodology and calculations underlying billings from parent company.

Compensation & Benefits

- Historical period payroll and number of employees.
- Distribution of total payroll for the historical period (i.e. plant, O & M, etc.)
- Executive payroll (all compensation) for the historical period. Show allocations of executive payroll to all utility and non-utility entities and the basis for the allocations.
- Description and support for benefits included in Account 926 for the historical period.
- Provide a copy of the most recent actuarial report for all retirement plans and other post employment benefits.
- Provide copies of employee informational booklets describing all executive and non-executive benefit and incentive plans in effect during historical period.

**MICHIGAN PUBLIC SERVICE COMMISSION
PART III – STANDARD FILING REQUIREMENTS
HISTORICAL DATA SUPPORT FOR STAFF AUDIT**

Taxes Other than Income Taxes

- Calculations for the following items in the historical period:
All payroll related taxes, Property Taxes, Other

Income Taxes

- Calculation of state and federal income tax expenses for the historical period. Include components such as net income before taxes, synchronized interest expense and Schedule M adjustments.
- Calculations supporting the adjustments to operating income that have been assumed for the projected period. Include the supporting calculation for synchronized interest expense.
- Copies of most recent calendar years Federal and State Income Tax Returns for Utility must be made available for review.

Plant, CWIP and Working Capital

- Plant in service actual balances by MPSC plant account at end of the historical period. Show annual additions, retirements, and sales of plant.
- Reserve for depreciation balances by plant account from the historical period. Show accruals, retirements, salvage, cost of removal and amortizations separately. Explain any significant items.
- Details of CWIP balance for historical period.
- Details of non-utility plant amounts and investments in subsidiaries
- Depreciation and amortization expense accrual included for historical period by plant account.
- Schedule of depreciation rates during the historical period.
- Historical end of period balances for individual working capital balances (assets and liabilities) corresponding to the projected working capital.

**MICHIGAN PUBLIC SERVICE COMMISSION
PART III – STANDARD FILING REQUIREMENTS
HISTORICAL DATA SUPPORT FOR STAFF AUDIT**

- Deferred tax balances for historical period and summary of their calculation.
- Derivation of historical period AFUDC
- List any changes in accounting for plant during and since the historical period.
- List any changes in the method used to calculate depreciation on plant balances and an explanation of the change/reason.

Capitalization

- End of historical period actual capital components include: long-term debt, short-term debt, common equity, deferred income taxes, and JDITC.
- Calculation of long-term debt for the historical period, separating interest from amortization of debt discount, premium and expense. Show debt issuances, principal repayments, and retirement of debt.
- Capitalization Ratios - Permanent Capital (LTD and Common Equity).